

I. BACKGROUND INFORMATION

A. DESCRIPTION OF PROPOSAL AND HISTORY

The proposal would change 2.26 acres from the current land use designation of Industrial-Springwater (IND-SW) to Low Density Residential-Springwater (LDR-SW). The IND-SW designation generally allows for industrial type uses, limited commercial uses and certain Institutional uses under the Special Use Review. The LDR-SW designation primarily allows single-family detached dwellings and Institutional uses under the Special Use Review.

The property is located east of SE Telford Road with an address of 6742 SE Telford Road. It is currently developed with a single-family detached home and several small accessory buildings. The site is bordered by LDR-SW designated properties to the west and south. Low Density Residential 5 (LDR-5) designated properties border the property to the north. The properties to the east are currently outside the city limits and will be designated IND-SW upon annexation.

The site is located within an area of the 2002 urban growth boundary (UGB) expansion approved by Metro Ordinance Number 02-969B and is within a New Urban Area community. It was annexed into the city of Gresham city limits on November 17, 2006 as documented in file number AE 06-26000239. At annexation, the site assumed split zoning with 2.26 acres of IND-SW to the east and the remainder 3.38 acres zoned LDR-SW to the west. This zoning configuration is in keeping with the adopted Springwater Plan Map which implements the goals and policies established by the Springwater Plan District (CPA 04-8178). The Springwater Plan District was adopted by Ordinance Number 1614 and became effective on December 1, 2005. Springwater's new urban area concept plan set a goal of approximately 15,000 jobs and 1,600 dwellings for the Springwater District. The subject site is designated by Metro as a Regionally Significant Industrial Area (RSIA) in the Title 4, Industrial and Other Employment Areas map published October 2014 (Exhibit C).

The applicant has pointed out that the proposed change in designation is being pursued to better align the parcel with adjacent zoning that primarily permits single-family detached residential construction. The applicant pleads a case that there are topographic, infrastructure, and competitive advantage barriers to this site that make it less suitable for industrial and more suitable for residential development.

B. EXECUTIVE SUMMARY

The proposed amendment of 2.26 acres to a low density residential (LDR-SW) designation meets all four of the City's criteria for Plan Map amendment. This proposed change is anchored on the point that the subject property is poorly suited for industrial use due to access limitations and slopes exceeding those marketable for industrial users. The access limitations and slopes make the site better suited for residential development, thus supporting the housing policies of the Community Development Plan.

The property is primarily surrounded by Low Density Residential development properties, with the exception of future annexation areas to the east which are slated to come into the City as industrial areas. The City's residential land use policies would be promoted because the proposed change in designation supports an existing adjacent urban residential use while putting to use an otherwise underutilized property. Public facilities have sufficient capacity to serve the proposed residential uses and will only require standard utility mainline extensions. The vehicle trip generation report finds that changing the subject property from industrial (IND-SW) to LDR-SW is expected to reduce the volume of vehicle trips generated by the site compared to the property being developed with a mix of industrial and commercial uses.

The applicant expresses the same reasoning as was documented in the 2019 plan map amendment approval for the Telford Road property, file number PMA 18-26000374. This recent plan map amendment was approved for a site immediately south of the subject property and resulted in the rezoning of 18.75 acres of IND-SW property to LDR-SW. To justify this latest plan map amendment proposal, the applicant demonstrates a general decrease in the demand for industrial land in the Portland metropolitan region. They demonstrate that the demand for shovel ready industrial land in the East Multnomah County subregion, and in the city of Gresham in particular, is being met by existing industrially designated sites in more competitive locations and with minimal transportation, water, sewer, or stormwater infrastructure barriers.

Staff's review of the applicant's materials concludes that despite the proposed plan map amendment, the Springwater industrial area will remain the backbone of the City's long-term (20 year) industrial land reserve. The regional industrial lands capacity will remain unchanged. 363 gross acres of industrially zoned land will remain out of the original 384 acres allotted. The plan assumed that only a net 300 acres would be viable for industrial uses accounting for topographical challenges (Springwater Buildable Land Analysis; Table 2 of Comprehensive Plan Volume 1 Appendix 44). Staff concludes that the request to rezone the subject site from IND-SW to LDR-SW will not jeopardize the Springwater Regionally Significant Industrial Area's (RSIA) viability over the long term, plan year 2035, outlook.

The following factors, in descending order of magnitude, lead staff to recommend amending the 2.26-acre property from IND-SW to the residential designation, LDR-SW:

1. The applicant's narrative and staff findings demonstrate compliance with City Comprehensive Plan Policies; Metro Title 1 (Housing Capacity), Title 4 (Industrial & Employment Lands), Title 7 (Housing Choice), and Title 11 (New Urban Areas) provisions of the Urban Growth Management Functional Plan; and Oregon Goal 9 "Economic Development" and Goal 10 "Housing".

2. The applicant's narrative documents that the proposed zone change will not result in a build-out scenario that exceeds existing and master planned transportation, water, sanitary sewer, and stormwater infrastructure capacity.
3. The zone change is limited to 2.26 acres of IND-SW. Together with previous Springwater plan map amendments, this equates to a 6 percent cumulative gross acreage reduction in Springwater's overall industrial land inventory. 363 acres of the Springwater District Plan's original 384 gross acres will remain zoned IND-SW accounting for both zone changes. The change is projected to have a negligible impact on the City's population to employment ratio, which would remain at 2.4 based on 2018 figures and 2035 forecasts. Citywide employment capacity would drop 1 percent from 50.9 percent to 49.9 percent.
4. There are topographic barriers on this site with an average grade of 10 percent slope in the area with Industrial zoning and over 11 percent in the areas accessing the industrial portion of the site. Industrial users generally prefer sites with a 5 percent or shallower slope.
5. Short-term (0 to 5 year) transportation access barriers in multiple areas. There is no direct access onto adjacent highway US 26. The nearest short-term signalized direct access onto US 26 is located 1.3 miles away at US 26 and SE Palmquist, an intersection with identified volume-to-capacity ratio limitations and documented intersection safety issues. Existing downstream transportation system deficiencies along the US 26, Hogan, Kane, and the Eastman Parkway to Stark Street truck routes present undesirable travel time delays to the nearest Interstate 84 on-ramps.
6. Existing short-range market trends document a year-over-year single-family residential home price escalation of 6.8 percent over a nine-year period (1994-2005). This cost increase trend has spiked since 2012 and is projected to continue, barring an economic slowdown or urban policies to substantially increase capacity. Currently the relative importance of meeting the City's housing capacity and affordable housing goals in comparison to the short-term negligible value of the subject site to the industrial land inventory favors promotion of the former at the expense of the latter.
7. The poor overall location of subject site in relation to key industrial sector amenities such as Portland Airport and Port of Portland water ports and freight railyards. Also factored is the lack of new technology economic amenities such as access to established fiber optic lines and existing tech hubs. Additional outreach by City of Gresham is needed to prepare Springwater district to be an attractive market option for its intended target industries.
8. The site is immediately adjacent to existing LDR-SW designated land along most of its western and southern border and LDR-5 property along its northern border.

II. APPLICABLE COMMUNITY DEVELOPMENT CODE PROCEDURES

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| A. | Section 11.0204 | Type III Procedures |
| B. | Section 11.0101 | Development Permit Application |

- C. Section 11.0213-0214 Referral and Review of Development Permit
- D. Section 12.0000 Community Development Plan Map Amendments

III. APPLICABLE COMMUNITY DEVELOPMENT PLAN POLICIES

- A. Section 10.014 Land Use Planning
- B. Section 10.313 Industrial Land Use
- C. Section 10.320 Transportation Systems
- D. Section 10.330 Public Facilities and Services
- E. Section 10.331 Water Service
- F. Section 10.332 Wastewater System
- G. Section 10.333 Stormwater Drainage Management
- H. Section 10.335 Fire and Police Protection
- I. Section 10.411 School Services
- J. Section 10.414 Economic Development
- K. Section 10.600 Residential Land Use and Housing
- L. Section 10.801 Springwater Creating Community
- M. Section 10.802 Springwater Economic Development
- N. Section 10.804 Springwater Livability
- O. Section 10.805 Springwater Transportation
- P. Section 10.825 Springwater Parks, Open Space, and Trails

IV. FINDINGS

The proposed Plan Map Amendment is consistent with all applicable criteria and policies of the Gresham Community Development Code (zoning regulations) and the Community Development Plan (comprehensive plan) as indicated in the applicant’s findings, except as superseded by staff findings below. The findings also document compliance with Oregon Statewide Planning Goals and Metro regional Urban Growth Management Functional Plan (UGMFP) regulations.

A. COMMUNITY DEVELOPMENT CODE PROCEDURES

1. **Section 11.0101 - Development Permit Application.** Staff has reviewed this application and finds that it includes the information needed to fully address the Plan Map Amendment criteria.
2. **Section 11.0204 - Type III Procedures.** This proposal will be considered by both the Planning Commission and the City Council at public hearings in accordance with provisions of this section. The City Council will act on a recommendation from Planning Commission.
3. **Section 11.0500 - Referral and Review of Development Permit Application.** This application has been routed to affected city, county, special purpose districts, regional, and state agencies for review and comment. The application was submitted on August 27, 2019 and deemed complete on September 18, 2019.

4. **Section 12.0000 - Community Development Plan Map Amendments.** This proposal will be evaluated according to the Type III procedures and approval criteria contained in this section. Certain criteria outlined in this section of the Code must be addressed in order for an evaluation of the appropriateness of the request to be conducted. An applicant must demonstrate that:

a. *The proposed designation is consistent with the applicable policies and implementation strategies of the City's Community Development Plan. The applicant must demonstrate that the proposed designation complies with the appropriate locational criteria identified in the Community Development Plan.*

Staff Finding: Section (IV)(B) of this staff report summarizes the applicant's findings and provides staff findings based on the applicant's submittal with regards to how the plan map amendment complies with Community Development Plan policies.

Conclusion: Based on the applicant's submittal staff finds the proposal is consistent with the applicable policies of the City's Community Development Plan, and therefore is consistent with Criteria 1 for Plan Map amendments.

b. *The proposed designation will not negatively impact existing or planned public facilities and services.*

Staff Finding: The applicant submitted a Transportation Planning Rule and Transportation Impact Analysis, prepared by Michael T. Ard, Professional Engineer (OR 54983PE), concluding that there will be no negative impact on existing or planned transportation infrastructure. While the assumed reasonable worst-case scenario includes a 3,000 square foot fast food drive-thru, which is unlikely in this location, the analysis nonetheless demonstrates that there is a net reduction in trip generation. The trip generation analysis forecasts a net decrease in trip generation by 52 morning peak hour trips, 55 evening peak hour trips, and 606 average weekday trips.

The applicant submitted a Public Facilities Analysis prepared by Ray Moore, Professional Engineer and Professional Land Surveyor (OR 49710), to evaluate the zone change's implications on the City's sanitary sewer, stormwater, and domestic water facilities and services. The report forecasts a 0.01 cubic feet per second increase in the peak design flow of sewer generated from the property whose proposed LDR-SW zoning is estimated to result in about 13 additional homes on the site. The downstream analysis of seven sewer main pipes identified in the Wastewater Collection Master Plan (WCMP) as areas of capacity deficiency at Springwater's build out demonstrates that there will continue to be sufficient current capacity in those pipes to accommodate the increased flow projection from this 2.26-acre zoning reclassification.

The preliminary stormwater analysis assumed future development's compliance with the recently updated Stormwater Management Manual (SMM) that

became effective January 1, 2019. It also assumed compliance with the Springwater Public Facilities Master Plan (SPFMP). The analysis concludes that stormwater will need to be treated and detained prior to discharge into Johnson Creek. Based on the SMM and SPFMP requirements, the downstream system is expected to see the same peak flows no matter how the site is developed. This is because the maximum release rate is based on existing conditions. Stormwater detention facilities, such as swales or raingardens, are expected to be smaller in size for residential compared to industrial development. Projected quantity of impervious area will also be reduced with residential development.

The domestic water analysis concludes that the existing City water system has capacity to supply the site with adequate domestic water and fire flow, assuming buildout to LDR-SW. The system is estimated to provide a 1,200 gallons per minute fire flow at the site.

Comments from the City's Department of Environmental Services, Development Engineering Section, the proposed LDR-SW designation is not expected to negatively impact public facilities. Development of the site will be subject to review of applicable design criteria and the public works standards. This aligns with the applicant's analysis that concludes that the proposed zone change will not negatively impact existing or planned public facilities and services.

Conclusion: Based on these findings, the proposed LDR-SW designation is not expected to have negative impacts on existing or planned public facilities and services, and therefore is consistent with Criteria 2 for Plan Map amendments.

c. *In addition, the proponent shall demonstrate compliance with one of the following criteria:*

(i) *A mistake was made in the current designation. The applicant must identify a specific error made during the adoption process of the Community Development Plan that, if it had been brought to the attention of the council, would have influenced the council's decision of the appropriate designation,*

Or,

(ii) *The site is suitable for the proposed designation and there is a lack of appropriately designated alternative sites within the vicinity. The size of the vicinity will be determined on a case-by-case basis since the impacts of a proposed land use designation and its potential use vary. The factors in determining suitability are parcel size and location.*

The applicant asserts compliance with criteria (c)(ii). A public need analysis was submitted. The report was prepared by Johnson Economics, an Urban Planning Policy consultant firm with expertise in residential, commercial, industrial market analysis and demographic trend analysis. The analysis affirms that due to an average site grade of 10 to 11 percent slope and, more importantly,

transportation access limitations, the site is better suited for residential home construction than for industrial construction. Appendix 44 of the comprehensive plan for the Springwater Plan area considered flat areas having less than a 5 percent slope as being more marketable industrial sites and thus the bulk of industrial designations were given to those areas east of Telford Road. A threshold of 7 percent is commonly cited in other industrial land inventory studies. A 1999 Regional Industrial Land Study for the Portland-Vancouver Metropolitan Area prepared by Otak, Inc. considers a threshold of 10 percent slopes. Metro's 2014 UGR Buildable Lands Inventory categorically excludes lands with over 25 percent slopes from being viable for industrial development.

The applicant notes that evidence of the lack of appropriately designated alternative sites within the vicinity is a lack of supply of low density single-family residential properties. The supply shortage problem is identified as a regional challenge in the applicant's narrative and the Johnson Economics Public Needs Analysis. The lack of supply is evidenced by the rapid increase of single-family home sales prices over the past several years. The analysis from file PMA 18-26000374 documents a 6.8 percent year-over-year median home price change based on 1994 through 2005 price data. Price escalation has been even more pronounced in the Portland Metropolitan Area since 2012. This is despite a finding in Metro's annual Urban Growth Report (UGR), released December 13, 2018, that there is a sufficient 20-year supply of this land use designation in the region. This finding extends to the East Multnomah Market subarea, defined in the UGR as an area that includes all of Gresham, Pleasant Valley, and Springwater plan areas.

Much of the UGR's low density single-family residential supply is predicated on infill development, however, the figures do account for greenfield development in new urban areas such as Pleasant Valley and Springwater. These were brought into the urban growth boundary in the early 2000's. What the UGR does not account for is that the majority of this recently added greenfield land supply is not yet accessible for build-out due to several factors, primarily a lack of readily available funding/financing options for extension of required infrastructure such as water and sewer lines. In fact, most of these greenfield residential areas have not yet been annexed into the City and are thus unavailable for construction to their designation in the UGR. The proposal will close this gap by opening up LDR-SW in a location that can be readily served by a sewer and water line extension from their current termini approximately 700 to 1,000 feet away along existing Telford Road and 252nd Avenue.

The vicinity of the site at the neighborhood scale may be defined as an area bounded by Highway US 26 to the east, SE 252nd Ave to the west, SE Hillyard Road to the north and SE Callister Road to the south. Within this vicinity there is 30.5 acres of vacant LDR-SW. The 11.75-acre area to the west is designated LDR-SW and is comprised of small individual parcels with existing single-family homes that are in various stages of development. The 18.75-acre area to the south was recently rezoned to LDR-SW and is in the process of submitting for a land division application. The vicinity to the east will be designated IND-SW upon annexation.

Conclusion: Based on these findings and those of the applicant’s Public Needs Analysis and other application narratives, the site is suitable for the LDR-SW designation. There is a modest lack of appropriately designated alternative sites in the vicinity. The application is generally consistent with Criteria 3 for Plan Map amendments.

(d) The proposed designation is consistent with the Metro Urban Growth Management Functional Plan (UGMFP).

The applicant’s findings pages 17 through 23 document the proposal’s consistency with Title 1, Title 4, Title 7, Title 8, and Title 11 of the Metro Urban Growth Management Functional Plan (UGMFP) published April 16, 2018.

Metro Title 1 (Housing Capacity)

The applicant’s conclusion with respect to Title 1, which requires the City of Gresham to maintain or increase its housing capacity, is that the proposal will increase the City’s low-density housing capacity in the Springwater area and the city at large by 2.26 acres--approximately 13 single-family detached residential units.

Metro Title 4 (Industrial and Other Employment Areas)

Title 4 requires the City to provide and protect a supply of sites for employment by limiting the types and scale of non-industrial uses in Regionally Significant Industrial Areas (RSIA’s). The 2.26-acre site is located within an RSIA (Exhibit C). The applicant’s conclusion with respect to compliance with Title 4 is that the original designation of the site as an RSIA was based on data, trends, and assumptions that are no longer holding true. They cite the 2018 Urban Growth Report (December 13, 2018) which finds there is an oversupply of industrially zoned land within the urban growth boundary for the 20-year planning period ending in 2038. This same assessment holds true, according to Johnson Economics, for the East County Multnomah submarket. The applicant makes the case that the reduction of 2.26 acres to the RSIA inventory of land that is not very well suited, for reason of topography and access limitations, to industrial development, does not adversely reduce the supply of viable industrial land inventory at the either the City of Gresham, East Metro Subregion, and Portland Metropolitan regional scale.

Additionally, staff finds based on communication with Metro Staff in the course of the review for File PMA 18-26000374 that Title 4 prohibits the City from processing Development Code text amendments that would permit non-industrial uses in industrial zones. Text amendments to the permitted use table are not being proposed. Furthermore, the proposed amendment is for an area less than 10 acres in size. Title 4 permits the City to rezone property within an

RSIA granted that the rezoning does not result in uses prohibited in the RSIA. Residential single-family detached homes, and residential uses in general, are not prohibited uses in the RSIA, per Metro's application of the Title 4 regulations.

UGMFP 3.07.450(c) Subsection 6 limits amendments in areas designated as regionally significant industrial areas (RSIA's) to a maximum size of 10 acres if the amendment results in a zone that permits uses prohibited in the RSIA. The proposed site size is 2.26 acres. The zone change will result in a residential use, which is not a prohibited use in the RSIA. Metro Council review and approval is not required.

Title 7 (Housing Choice)

Title 7 requires that the City adopt voluntary affordable housing production goals that will guide measuring progress toward increasing housing choices and meeting affordable housing needs. A target of 556 affordable units is set for City of Gresham. The applicant does not provide details as to the projected median house prices of homes to be constructed given the plan map amendment. The general conclusion that the proposal will further the City's affordable housing goals is based on a generally acceptable assumption by economists that an increase in supply of any given product will result in a decrease in its cost, all other things being equal. This may be so, but insufficient information is given to determine whether this specific proposal will result in affordable units that will bring City of Gresham closer to meeting the 556 affordable unit goal.

The title is a voluntary goal and not required to be met for this application. The 2018 UGR finds that the City is compliant with this title based on its general planning activities to draft and carry out affordable housing goals and regulations.

Title 8 (Compliance Procedures)

Title 8 of the UGM Functional Plan provides that at least 35 days prior to the first evidentiary hearing on an amendment to the comprehensive plan or land use regulation that a copy of the proposal be submitted to Metro for review. The amendment was submitted to Metro on September 23, 2019, which is 35 days prior to the October 28, 2019 Planning Commission hearing, the first hearing. Metro has not submitted written comment as of the date of this staff report.

Title 11 (Planning for New Urban Areas)

The area proposed for a zone change is within a new urban area added to the urban growth boundary in 2002 and subsequently concept planned under the Springwater District Plan. The Functional Growth Management Plan 3.07.1110(d) acknowledges that approved concept plans, such as the Springwater Plan District shall guide, but do not bind amendments to city comprehensive plans following the addition of the area to the UGB. The proposal will amend the Gresham Comprehensive Plan Map while maintaining desired employment, industrial, and residential policy objectives as documented

elsewhere in this report and by the applicant. The applicant provides findings that the Springwater District Plan jobs target of 15,000 jobs is still viable notwithstanding the reduction of 2.26 acres of IND-SW land. A net of 363 acres will remain zoned IND-SW in the Springwater district after accounting for all plan map amendments reducing the original allocation of 384 acres.

Conclusion

The proposal is consistent with Titles 1, 4, 7, 8, and 11 of the UGM Functional plan as demonstrated in the narratives and the supporting reports. There is no substantial negative impact on employment generation; housing capacity will be increased, and proper notice has been given.

B. COMMUNITY DEVELOPMENT PLAN POLICIES

The following are Community Development Plan Volume 2 policies, which relate directly to this proposal. The policies are paraphrased for reference and are not written verbatim. Those Volume 2 policies not referenced here were omitted because they were determined to clearly not apply directly to the proposal. Policies whose applicability is marginal are mentioned with reasoning for why they are not applicable. Staff has reviewed the narrative provided by the applicant and has made an evaluation of the proposal’s compliance with applicable Comprehensive Plan Policies as follows:

Section 10.014 – Land Use Planning

Policy XVI Regarding six criteria for approving proposed plan map amendments

Findings: The proposal complies with each of these additional criteria as demonstrated by the applicant’s findings and supplemented by this staff report. Documentation of sufficient infrastructure capacity and no negative impact to existing or planned public facilities is provided. The change in zoning will decrease expected peak hour traffic volumes. The proposed LDR-SW will be compatible with existing LDR-SW to the west and south and LDR-5 to the north. Standard landscape and spatial buffers of the Gresham Community Development Code Section 9.0100 will promote compatibility with the retained Industrial designation for future annexation areas to the east. The highway to the east will not be negatively impacted by the placement of single-family residential homes in its vicinity; no direct connections to the highway are anticipated, and development will comply with City and State transportation regulations. A lack of developable single-family residential housing properties in the Gresham area has been documented by the applicant’s consultant, evidenced by a housing affordability crisis. The community need being provided is additional housing stock.

Policy XXIV Regarding protection of commercial and industrial lands.

Findings: The proposal will reduce the total acreage of industrial lands in the City by 2.26 acres. The applicant demonstrates that the reduction in this particular area will not result in a substantive reduction of the economic development value and jobs potential for the Springwater plan area, and by extension, the City and region.

Topography, access, and other constraining factors make the site impractical for development for currently market-viable industrial uses. The proposal will not decrease Springwater area’s potential for estimated 15,000 jobs, as 565 gross acres of IND-SW land will remain in the plan area.

Policy XXV Regarding avoiding concentrations of certain uses.

Staff Finding: The only zone that would allow multifamily housing in the Springwater plan area is Village Center (VC-SW). The site is located outside of the chosen geographic location for the village center zoning. The applicant’s options for zoning in this subject area are Very Low Density Residential (VLDR-SW), LDR-SW, and Townhome Residential (THR-SW). None of these zones permit multifamily housing. Community services are permitted in those zones under the special use review. This policy is not applicable.

Section 10.313 - Industrial Land Use

The applicant’s findings on pages 6 through 8 of their “Project Narrative” demonstrate compliance with Industrial Land Use policies 1, 2, 3, 6, 8, and 13. Staff provides findings for policies 10, 11, and 12. Clearly applicable and potentially applicable policies with respect to Industrial Land Use are paraphrased here as follows:

- Policy I** Regarding supply of ready to build employment lands.
- Policy II** Regarding the City’s share of the region’s jobs, and job types.
- Policy III** Regarding the City’s ratio of jobs to households.
- Policy VI** Regarding ready-to-build zoning quantities permitting industrial/business parks.
- Policy VIII** Regarding regular updates to the City’s industrial business park land supply.
- Policy X** Gresham shall manage its industrial and employment lands to prevent inappropriate and unrelated retail and office land conversion. The City shall comply with or exceed provisions required by Metro Title 4 (Industrial and Employment Lands) relative to retail and professional service limits.
- Policy XI** Gresham shall increase the potential for higher employment densities to improve its job to household ratio and make more efficient use of its existing employment lands.
- Policy XII** The City shall ensure that adequate transportation facilities either are, or can be, provided to existing and future employment lands.
- Policy XIII** Regarding retention and growth of existing business and small businesses.

Findings: One argument made by the applicant in support of the plan map amendment is that the site does not represent a strong industrial location based on scale as well as the poor access of the site, particularly the distance from I-84. This distance is 5 miles for non-truck traffic, and closer to 7 miles for truck route traffic. The network of roads leading to the I-84 is currently subject to delays and bottlenecks. The population/employment ratio will remain at 2.4 despite the

proposed amendment. Employment capacity for the Springwater Plan area will decrease by approximately 0.3 percent and is considered negligible.

The review of the zoning of this parcel is consistent with policy 8 that the City regularly update its industrial business park land supply and consider re-designating lands that cannot practicably be developed for these uses within the planning period. Consistency with policy 10, regarding Metro Title 4 compliance, is addressed as part of this land use review and staff report. The site's demonstrated access barriers evaluated against policy 12, to ensure adequate transportation facilities for industrial land uses, suggests that an industrial designation is not suitable for this site. Policy 13 involves City policy and regulatory action and is beyond the purview of the applicant.

Based upon these findings, this proposal is found to be generally in conformance with the Industrial Land Use Policies found in the City of Gresham Community Development Plan. The jobs/housing balance will remain unchanged at the citywide scale, at 2.4 population to employment.

Section 10.320 - Transportation System

It is the general policy of the City to implement and maintain a balanced, coordinated, safe and efficient transportation system.

Findings: The change in land use designation will not create a significant change in the transportation system of the immediate area or of the City. The City's Transportation Engineer notes no concern regarding this change in designation.

Section 10.330 - Public Facilities and Services

It is the City's general policy that development will coincide with the provision of adequate public facilities and services including access, drainage, water and sewerage services.

Section 10.331 - Water Service

It is the policy of the City to provide municipal water service to all users within the corporate limits of Gresham.

Findings The change in land use designation will not create a significant change in the City's water service capacity, per Development Engineering's findings below.

Section 10.332 – Wastewater System

It is the policy of the City to provide municipal sanitary sewer service to all users within the Gresham sanitary sewer drainage basin.

Findings The change in land use designation will not create a significant change in the City's sanitary sewer capacity, per Development Engineering's findings below.

Staff notes that further plan map amendments converting industrial to residential are very likely to require downstream deficiency exactions.

Section 10.333 – Stormwater Drainage Management

It is the City's policy to establish a drainage management system, which controls the amount and rate of surface water runoff; protects property from runoff related damage; and controls pollution of receiving streams.

Findings The change in land use designation will not create a significant change in the City's stormwater/drainage capacity, per Development Engineering's findings below.

Section 10.335 - Fire and Police Protection

It is the policy of the City of Gresham to provide adequate and cost-effective fire and police protection, which ensures a safe living environment and is responsive to the needs of the citizens of Gresham.

Findings Gresham fire has expressed no concerns regarding this proposal. Gresham Police did not submit comment.

Based upon these findings, this proposal has been found to be in compliance with the Public Facilities policies of the City of Gresham Comprehensive Plan.

Section 10.411 – School Services

It is the policy of the City to give the districts the opportunity to review and comment on land use actions which would have an impact on enrollment, student safety, or other school related concerns.

Findings The subject site is located within the Gresham Barlow School district. The school district was notified on January 24, 2019 of the proposed zone change which could add up to 13 new residences to the district's planned capacity. No comments have been received from the school district.

Section 10.414 - Economic Development

Policy I Regarding diversification of the community's economic base.

Policy II Regarding timely and economic extension of public facilities.

Findings The City's Economic Development team expressed no concern with the proposed loss of the industrial land based on the reasons stated by the applicant. It is anticipated that the effect on the overall economic development of Gresham will be negligible at the worst and positive at the best. The Johnson Economics report demonstrates the topographical, locational, economic trend, and access barrier reasons why this 2.26-acre site is not one with great economic development potential.

Based upon these findings, the proposal has been found to be in compliance with the Economic Development policies of the Comprehensive Plan.

Section 10.311 & 10.600 – Residential Land Use and Housing

Housing Opportunities Policies

Policy I Provide a full range of housing types and sizes that reflect the needs [of] Gresham’s citizens through all life stages and circumstances.

Staff Finding: The proposal adds additional single-family detached residential homes of approximately 5,000 square foot lots. 100 percent of the proposal is to add this type of housing. The City had a unit mix as of the 2004 periodic review of 62.5 percent attached units to 37.5 percent detached units. In terms of land area, areas set aside exclusively for single-family detached homes (LDR-5 and LDR-7 zoning) make up the majority of the City’s land mass. The City’s effective planned average density is 14.5 dwelling units per acre. The introduction of 2.26 additional acres at a maximum density of 7.3 dwelling units per acre will reduce that figure, but not by much given the small quantity of land in question.

Policy II Regarding variety in options for residence size.

Staff Finding: The applicant’s finding that the LDR-SW zone presents an opportunity to provide 3 to 4-bedroom homes suffices to show compliance with this policy.

Economic Development Policies (Housing Investments)

Policy III Promote a mix of housing types where appropriate.

Staff Finding: The proposal adds additional single-family detached residential homes of approximately 5,000 square foot lots. 100 percent of the proposal is to add this type of housing. In the citywide context, the proposal adds additional capacity for detached residential housing in a city that has a mix of other housing types such as apartments, condominiums, elderly housing, townhomes, and multiplexes. The specific location of this site to the east of Johnson Creek, away from the planned village center and in the immediate vicinity of single-family detached residential to the north, justifies the proposal as submitted.

Policy IV Promote the use of the Gresham’s workforce for development projects.

Staff Finding: To the applicant’s point, the zone change will bring an otherwise underutilized industrially zoned property into the market for development at this time. This will provide opportunity for some share of local construction related jobs which are short term in nature, at the expense of future industrial land which may provide a relatively small number of long-term jobs. The number of projected jobs forgone would be small on account of the small area of the subject site to be rezoned.

Policy V Promote the development of additional higher-end ownership and rental “executive housing”.

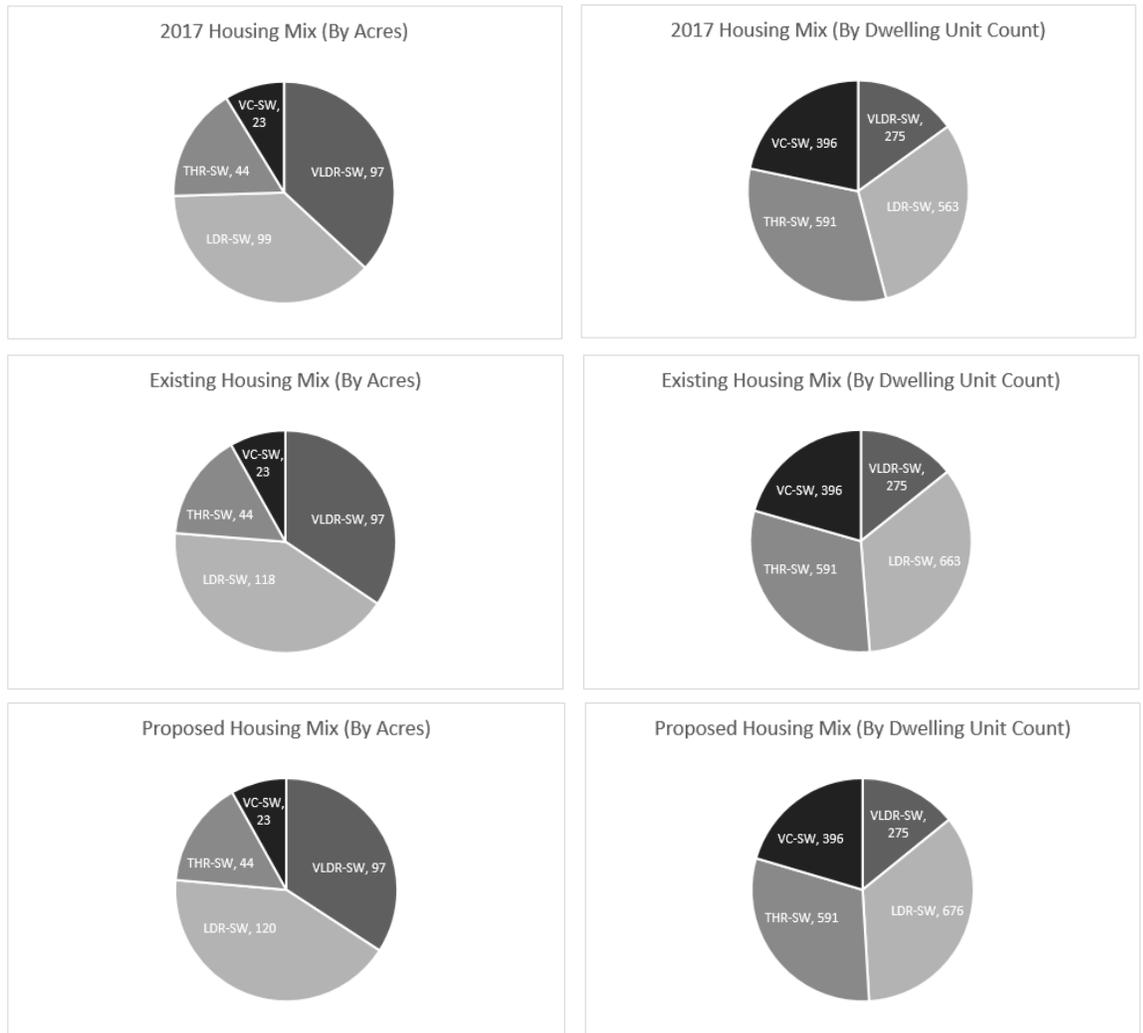
Staff Finding: The Springwater plan has a specific zone tailored to “executive housing”. The Very Low Density Residential (VLDR-SW) zone requires minimum 10,000 square foot lots which may be marketable to individuals looking for larger homes with spacious yards. VLDR-SW is not being proposed by the applicant.

Livability Policies

Policy I Avoid concentrations of any-one housing type.

Staff Finding: 100 percent of the proposal is to add single family detached home type of housing in an area adjacent to LDR-SW and LDR-5. A 2.26 acre expansion to the 30.5 acres of single family detached residential area would add approximately 13 additional units and is not of large enough size to result in a further concentration of a single housing type, single family detached residential. There is an existing 11.75-acre cluster of LDR-SW land located directly west of the subject site. There is an 18.75 acre cluster of single family detached housing on LDR-SW to the south, and a 15 acre cluster of single family detached housing on LDR-5 to the north. The Springwater plan area as a whole has a housing type mix before and after the proposed amendment as shown in Figure 2. The addition of 2.26 acres at the subject site will not result in a concentration at the Springwater plan district scale.

Figure 2. Springwater Plan District Planned Housing Mix Comparison



Policy II Permit appropriate housing types in locations that most benefit the viability of the overall city and its centers.

Staff Finding: The detached housing type at this location at least two miles away from Gresham’s Downtown, Civic, and Rockwood planned center districts would not detract from the viability of those centers. It is too removed to provide a convenient walking or transit distance to town center activities. There is currently no transit service along Telford Road or SE 252nd Avenue. Transit is planned to eventually run along Hogan Rd, located over a quarter mile away, once the population density in the area can support it.

Policy V Ensure that new housing developments complement or enhance the character of existing quality neighborhood development.

Staff Finding: The quality of the housing materials cannot be evaluated at this time. There is no inherent difference in the quality of housing between allowed single family detached, attached, multi-plex, condominium, and apartment residential uses. This policy is not applicable.

Policy VII Coordinate with Tri-Met when planning for changes to residential densities.

Staff Finding: Tri-Met was informed of the proposed planned map amendment. No comments have been received as of the date of this staff report.

Policy IV Promote home ownership.

Staff Findings: Approval of the proposal as submitted would promote this policy in two ways. It will increase owner occupied housing supply. Secondly, to the applicant's point, it will help alleviate regional pressures inflating median housing prices which are making homes more unaffordable to potential homeowners.

Based upon these findings, this proposal is found to be in conformance with the Residential Land Use Policies found in the City of Gresham Community Development Plan.

Section 10.801 – Springwater Creating a Community

Health and the Built Environment

Policy I Regarding role of the Springwater Community Plan guiding future urbanization.

Policy II Regarding relationship to adjoining communities, economic development, and extensions of public facilities.

Policy III Regarding provision of adequate public facilities.

Findings The applicant's narrative presents a case that the proposed amendment will continue to be consistent with the adopted Springwater Community Plan. The amendment at this location is sensible given the vicinity of Johnson Creek and the fact that it is almost entirely surrounded by residentially designated land. Infrastructure capacity is there for conversion to residential uses. Transportation access barriers make the subject site less suitable to industrial development.

Section 10.802 - Springwater Economic Development

Policy I Regarding maximizing industrial land area and related jobs.

Policy XII Regarding balancing the jobs to housing ratio.

Findings: Referencing the Public Needs Analysis, the applicant has demonstrated that development of the property with residences will add needed low-density residential units in this portion of the city which is currently lacking. The applicant provided an estimate on how the jobs to housing balance will remain unchanged at 2.4 population to employment at the city scale. Reduction of 2.24 acres of

topographically and access constrained land will not diminish the Springwater Plan Area’s potential to meet its 15,000 jobs target. The applicant has shown that the plan map amendment will result in a reduction of 0.3 percent of the 15,000-job target, assuming the entire site is developable as industrial. The applicant shows that topography and access limitations made the lot unviable for industrial development in the first place, thus the capacity remains unchanged. The Springwater Plan District estimated a net buildable industrial area of 300 acres. There will remain a total of 363 gross acres after accounting for the Plan Map amendment.

Based upon these findings, the proposal has been found to comply with the Residential Land Use policies of the Comprehensive Plan. The applicant submitted forecasts that the population/employment ratio will remain unchanged.

Section 10.804 – Springwater Livability

- Policy I** Regarding variety of high-quality housing choices.
- Policy V** Regarding walkable communities with connections to the Springwater Corridor Trail.
- Policy VI** Regarding access to parks and open spaces.

Findings: The applicant provided findings for Springwater Livability policies 1, 5 and 6. The findings demonstrate that LDR-SW is the appropriate residential zone even considering policy 1 which would encourage placement of VLDR-SW. It clearly indicates the proximity of three parks and open spaces within half a mile of the proposed residential areas.

Section 10.805 - Springwater Transportation

It is the policy of the City to consider traffic impacts on surrounding rural areas and existing City of Gresham Neighborhoods.

Findings: Referencing the Trip Generation and Transportation Planning Rule Analysis submitted with this application, the applicant has demonstrated that development of the property with residences will generate less trip when compared to the trip to be generated under industrial use.

Based upon these findings, the proposal has been found to be in compliance with the Spring-Water Transportation policies of the Comprehensive Plan.

Section 10.825 – Springwater Parks, Open Space, and Trails System

Most policies listed under this section do not apply to this proposal as there are no identified neighborhood or community parks, open spaces, or trail alignments within the extent of the subject site. Only policy VIII directly applies.

Policy VIII Parks and trails shall be located within a ½ mile of their users and shall help to create an identity for the neighborhood, which they serve, including dense neighborhoods.

Findings: The applicant provides findings for Springwater Parks, Open Space, and Trails policy 8 showing the proximity to Springwater Community Park, Village Park, and the immediately adjacent Springwater Trail and Johnson Creek open space area. The development permit application for subdivision development will need to demonstrate proposed sidewalk or street crossing connections that will facilitate future connections to these parks. Compliance with City infrastructure and public works standards will be evaluated at that time.

V. OTHER COMMENTS

DEVELOPMENT ENGINEERING COMMENTS (Jesse Davies)

The project area is located at 6742 SE Telford Road, State ID 1S3E23A -01200. The applicant proposes a Plan Map Amendment to re-zone the east half of the site from Industrial-Springwater (IND-SW) to Low Density Residential-Springwater (LDR-SW). The westerly half of the site is already zoned LDR-SW. The following comments are from Development Engineering and refer to the application submitted by Tracy Brown Planning Consultants, LLC, received 09/17/2019.

A5.100: SANITARY SEWER FACILITIES

Gresham Public Works Standards has a design wastewater flow of 384 gallons/day/acre for industrial uses and a flow of 1533 gallons/day/acre for LDR uses. A zone change from industrial to residential represents an increase of 4 times the flow. The applicant has provided a Sanitary Sewer Analysis prepared by All County Surveyors and Planners, Inc, which indicates this zone change will not adversely affect downstream conditions. It should be noted if additional properties in Springwater change their zoning to higher uses, downstream upgrades will be needed.

A5.200, A5.300, & 9.0500: SURFACE WATER MANAGEMENT SYSTEMS & WATER FACILITIES

The proposed zone change will have no adverse effects on either the public stormwater system or the public water system.

CITY TRANSPORTATION PLANNING COMMENTS (Jim Gelhar)

I have reviewed the Traffic Impact Analysis submitted for the Conger Plan Map Amendment zone change prepared by Ard Engineering. The TIA uses standard methodologies and uses approved references. It is complete and accepted.

The proposed reasonable worst case for the existing zoning includes a 3,000 square foot fast food restaurant without drive-through window. While not terribly realistic for this location, if only in terms of the 3,000 square foot size, this is an approved use for the existing IND-SW zoning.

The trip generation analysis shows that there is a net reduction in peak hour and daily trips with the new zoning, with or without the 3,000 square foot restaurant as a use. Subsequently, the zoning change would not result in a degradation in the performance of the nearby transportation facilities. I find that all requirements of the Transportation Planning Rule are met.

FIRE COMMENTS (Contact Kyle Stuart)

No Comments at this time. Comments may be added when plots are developed.

OREGON DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT (Jennifer Donnelly)

No comments have been received as of the date of this report.

OREGON DEPARTMENT OF TRANSPORTATION COMMENTS

No comments have been received as of the date of this report.

VI. CONCLUSION

The proposed Plan Map amendment is consistent with applicable criteria and policies of the Community Development Plan, as indicated by findings contained in Section IV of this report.

VII. RECOMMENDATION

Staff recommends that the Planning Commission recommend approval of this Plan Map Amendment to the City Council.

End of Staff Report